

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)

I.PHONE CO.)

File No. ITC-214-

)
Application for Global Authority Pursuant to)
Section 214 of the Communications Act)
of 1934, as amended, to Operate as an)
International Facilities-Based and Resale Carrier)
Between the United States and Various)
International Points)
_____)

APPLICATION

I.Phone Co. (“I.Phone” or “Applicant”), by its undersigned counsel, hereby requests global facilities-based authority and global resale authority, under Section 214 of the Communications Act of 1934, as amended (the “Act”), 47 U.S.C. § 214, and Section 63.18 of the Commission's Rules, 47 C.F.R. § 63.18, to provide international telecommunications services between the United States and international points.

For the reasons set forth below, this application is eligible for streamlined processing pursuant to Section 63.12 of the Commission’s Rules.

I. The Applicant

I.Phone is an international telecommunications provider organized under the laws of Japan, and its operations are based in Tokyo, Japan. By this application, I.Phone seeks to obtain Section 214 authorization to provide facilities-based and resold international telecommunications services between the United States and all authorized international points (except those included on the Exclusion List).

I.Phone intends to enter in a relationship with a U.S. carrier, whereby that carrier will provide I.Phone international toll free service over dedicated T-1 digital access lines from Japan to the United States. The calls will terminate at a switch to be owned by I.Phone collocated with the U.S. carrier's international switch in the United States. The U.S. carrier will manage the I.Phone switch on behalf of I.Phone. From the switch, inbound U.S. calls will be re-routed to various international destinations. I.Phone may enter into similar relationships or other traffic arrangements with other U.S. carriers in the future.

I.Phone is a licensed Special Type II carrier in Japan. I.Phone is not affiliated, within the meaning of Section 63.09(e) of the Commission's Rules, 47 C.F.R. § 63.09(e), with any other foreign carriers. I.Phone does not seek to provide facilities-based service on the US-Cuba route, and does not seek to provide domestic interstate services.

II. Public Interest Considerations

The added competition the I.Phone's entry will bring to the U.S. international telecommunications market will benefit consumers. These benefits include competitive pricing and increased availability of a variety of innovative and high quality service options. Therefore, grant of this Application will further the public interest.

III. Information Required by Section 63.18

I.Phone, in support of its request for Section 214 authority, submits the following information, as required by Section 63.18 of the Commission's Rules:

- (a) Name, address and telephone number of Applicant:

I.Phone Co.
SOHO Minami-Ikekukuro Building 302
2-26-10 Minami-Ikekukuro
Toshima-Ku, Tokyo 171-0022
JAPAN
Tel: (201) 672-0667
Fax: (201) 672-0667

- (b) Applicant is organized under the laws of Japan.

- (c) Correspondence concerning this application should be sent to:

Catherine Wang, Esq.
Troy F. Tanner, Esq.
SWIDLER BERLIN SHEREFF FRIEDMAN, LLP
3000 K Street, N.W., Suite 300
Washington, D.C. 20007-5116
Tel: (202) 424-7500
Fax: (202) 295-8478

with a copy to:

Ms. Jane Rhee Cho
I.Phone Co.
26 Rosewood Terrace
East Rutherford, NJ 07073
Tel: (201) 672-0667
Fax: (201) 672-0667

- (d) I.Phone has not previously received authority under Section 214 of the Act.
- (e)(1) I.Phone requests Section 214 authority to operate as a facilities-based carrier pursuant to Section 63.18(e)(1) of the Commission's Rules. I.Phone requests such authorization for all international routes authorized by the Commission except those included on the Commission's Exclusion List. I.Phone certifies that it will comply with the terms and conditions of Sections 63.21 and 63.22 of the Commission's Rules.
- (e)(2) I.Phone also requests Section 214 authority to resell the international services of authorized U.S. common carriers pursuant to Section 63.18(e)(2) of the Commission's Rules. I.Phone requests such authorization for all international routes authorized by the Commission. I.Phone certifies that it will comply with the terms and conditions contained in Section 63.21 and 63.23 of the Commission's Rules.
- (e)(3) Not applicable.

(e)(4) Not applicable.

(f) I.Phone seeks the authority to provide only the services referenced under paragraphs (e)(1) and (e)(2) of Section 63.18 of the Commission's Rules.

(g) Not applicable. Applicant does not seek authority to provide services pursuant to Section 63.18(e)(4) of the Commission's Rules.

(h) The sole ten percent (10%) or greater shareholder of I.Phone is:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Sang Guk Chu SOHO Minami-Ikekukuro Building 302 2-26-10 Minami-Ikekukuro Toshima-Ku, Tokyo 171-0022 Japan	100	Korean	Telecommunications

By virtue of the fact that it is a Special Type II carrier in Japan, I.Phone has an interlocking directorate with a foreign carrier. I.Phone has no interlocking directorates with any other foreign carriers.

(i) I.Phone is a licensed Special Type II carrier in Japan. I.Phone is not affiliated with any other foreign carrier.

(j) I.Phone certifies that it seeks to provide international telecommunications services to Japan, where it holds a Special Type II license.

(k)-(m)

I.Phone is based in Japan, which is a Member of the World Trade Organization. Moreover, as a Special Type II carrier, I.Phone does not have market power on the U.S. Japan route. I.Phone is not listed on the Commission's *List of Foreign Telecommunications Carriers that are Presumed to Possess Market Power in Foreign Telecommunications Markets*. I.Phone is a new market entrant offering

services in competition with Japan's dominant carriers. I.Phone holds significantly less than a 50 percent market share in the international transport and local access markets in Japan, and has no ability to discriminate against unaffiliated U.S. international carriers through the control of bottleneck services or facilities. Accordingly, I.Phone lacks sufficient market power on the U.S.-Japan route (or any other international route) to affect competition adversely in the U.S. market. Therefore, I.Phone should be presumptively classified as non-dominant on all international routes pursuant to Section 63.10(a)(3) of the Commission's Rules.

- (n) I.Phone certifies that it has agreed not to accept special concessions, as defined in Section 63.14(b) of the Commission's Rules, directly or indirectly from any foreign carrier where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.
- (o) I.Phone certifies, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853a), that no party to its application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) I.Phone qualifies for streamlined processing pursuant to Section 63.12(c)(1)(ii) of the Commission's Rules, because, as previously stated, I.Phone qualifies for the presumption of non-dominance under Section 63.10(a)(3) of the Commission's Rules.

IV. CONCLUSION

For the reasons stated above, I.Phone respectfully submits that the public interest, convenience, and necessity would be furthered by a grant of this Section 214 Application.

Respectfully submitted,

By:

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Troy F. Tanner
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(202) 295-8478 (fax)

Counsel for I.Phone Co.

CERTIFICATION OF APPLICANT

On behalf of I.Phone, I hereby certify that the statements in the foregoing Application for Section 214 authority are true, complete, and correct to the best of my knowledge and are made in good faith.

I.PHONE CO.

By:	_____
Name:	Sang Guk Chu
Title:	President
Date:	